(b) 18 CPSEs out of these 34 have made losses continuously for the last three years. Three of these CPSEs, namely, Bharat Heavty Plates & Vessels Ltd., Prage Tools Ltd. and HMT bearing Ltd. are located in Andhra Pradsh. In addition some of the units of HMT, Hindustan Cables Ltd. and Cement Corporation of India are also located in Andhra Pradsh.

(c) Aggregate accumulated losses of all CPSEs under DHI as on 31st March, 2005 water (-) Rs. 13290 crore approx.

(d) Total amount investd in the loss making CPSEs under DHI provided as plan budgetary support by the Government during each of the last three years is as under:—

2003-04	Rs.54.38 cr.
2004-05	Rs.35.00 cr.
2005-06	Rs.185.47 cr.

(e) The process of revival/restructuring of loss making CPSEs was initiated as per the policy laid down in the National Common Minimum Programme. The Board for Reconstruction of Public Sector Enterprises (BRPSE) is making recommendations on revival and future of the sick PSEs. Government has approved implementation of revival/restructuring packages in case of 10 CPSEs under DHI, based on recommendations of BRPSE.

Professionalisation of Management of PSUs

634. DR. K. MALAISAMY:
SHRI S. ANBALAGAN:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) what are the criterion adopted in the process of professionalisation of managerment of Public Sector Undertakings;

(b) how many of PSUs out of the total PSUs have been professionalised so far;

(c) what is the time-lag normally taken by Government to appoint Board of Directors;

(d) whether it is a fact that it takes a few years in certain cases;

(e) while proposing or implementing professionalisation of PSUs does it envisage and percolate down the line in the hierarchy; and

(f) the proformance comparing before professionalisation and after how it reflects?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) and (b) The policy of the Professionalization of Boards provides for requisite number of Functional, Government and non-official Directors.

(c) and (d) In respect of the appointment of functional Directors, the Public Enterprises Selection Board (PESB) may initiate action so that its recommendations are made at least 6 months in advance of the date of vacancy and sent to the concerned Administrative Ministry for completing other formalities.

The non-official Directors are appointed by the concerned Administrative Ministries and Departments on the basis of the recommendations of the Search Committee (for Navratna/Miniratna CPSEs) or PESB (for other CPSEs) after obtaining the approval of the competent authority.

The reasons for delay in some of the Board level appointments include court cases, delay in obtaining vigilance clearances/approval of competent authority, delay in taking over of charge by the appointee, sudden vacancies, revival of posts kept in abeyance as conscious decision by the concerned Ministries, etc.

(e) and (f) The professionalisation of boards is an ongoing process. For the year 2004-05, the net profit of all CPSEs was Rs. 65,429 crore as compared to Rs. 53,084 crore in the previous year.

Concession to Car Industry

635. SHRI T. S. BAJWA: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether Government are aware that the car industry is going to face an unhealthy competition as the Tatas are going to set-up a small car project in West Bengal amounting to Rs. 2500 crores of which Rs. 1500 crores is to be donated by the State Government in the form of cost of land, building and refund of taxes.

(b) If so, whether these huge concession will endanger the survival of rest of the car industry; and